

Transparency matters
Our Code of Conduct

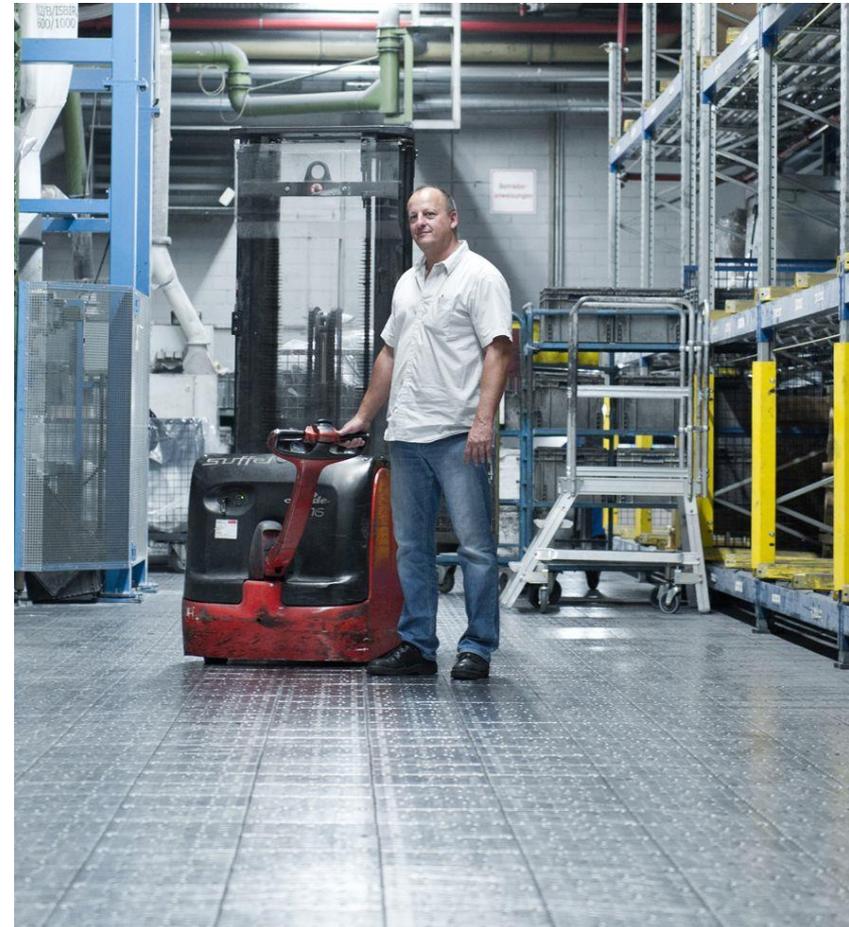
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Transparency matters

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Transparency matters

Dear colleagues,

Transparency, trust and commitment have formed the basis of our work since 1849. Starting as a small Berlin-based company we developed to be an internationally present enterprise in the automotive industry. Our longstanding history serves as evidence and stimulation for our success that could only be achieved by satisfying the specific needs of our business partners (customers, suppliers, and other partners), employees, and shareholders.

As we have further internationalized our business in recent years, the need has arisen to codify our already existing commitment to transparency, integrity and ethical conduct. Therefore, we have compiled this Code of Conduct as an outline of how we, management and employees of the Veritas-Group, want to act vis-à-vis all our stakeholders and business partners. The Code of Conduct reflects our longstanding commitment to the highest possible demands on ethical and legal behavior in our business conduct.

We would like to ask each and everyone of you to read and internalize this Code of Conduct and the rules it contains. These rules are binding for all Veritas-Group employees. Together, we are all responsible for making sure that the Veritas-Group continues to adhere to these fundamental principles that have guided us so far and will remain an important pillar of support for successful business in the future.

We would like to thank you in advance for your commitment to this important matter.

The Executive Board (2017)

1. Why do we need to know the Code of Conduct?



1.1 Introduction

Transparency, trust and commitment are central requirements for doing business at and with the Veritas-Group.

This goes along with the standards of our business environment as set out by business associations like the wdk and many of our customers.

The Veritas-Group operates in a complex environment characterized by fierce competition. Nevertheless, we always adhere to all applicable laws and regulations and act with integrity vis-à-vis all our stakeholders¹.

Violations of laws and regulations can result in severe fines, reputational damage and consequences which could even endanger the existence of the Veritas-Group. Employees may be subject to serious penalties.

Our Code of Conduct will help us adhere to the highest ethical, legal and professional standards in our day-to-day business. It will serve as a guideline to maintaining transparency and trust with all our stakeholders.

¹ in particular customers, suppliers, lenders and owners

While our Code of Conduct and our policies set out specific rules and guidelines for different fields of our business conduct, there are also more general criteria providing orientation in our day-to-day work.

For each business transaction we must ask ourselves:

- Could a business transaction be illegal?
- Could my behavior be seen as dishonest, unethical or unlawful?
- Could my behavior damage the Veritas-Group or its reputation?
- Could my behavior damage others, e.g. colleagues, suppliers, customers or shareholders?
- Could my behavior have a negative impact on my work environment?

If the answer to any of these questions is “YES” or even “MAYBE”, you have identified a potential issue that you must report to your supervisor or our Chief Compliance Officer.

1.2 Scope and special requirements

Scope of application

Our Code of Conduct is applicable to all companies of the Veritas-Group, i.e. Veritas AG and all associated companies in which they hold a direct or indirect shareholding of more than 50%, hold more than 50% of voting rights, or have control over the business activities. The Code of Conduct is binding for all employees at all levels and at all locations of Veritas-Group as well as for all external service providers performing internal tasks within the Group.

Our business partners are expected to share the values of this Code of Conduct and to comply with all applicable laws.



Special requirements for supervisors

Supervisors, i.e. employees with a supervisory role with regard to other employees, have a special responsibility under this Code of Conduct. The Veritas-Group expects them to:

- Provide an example of our values through their conduct;
- Make sure that all employees reporting to them have comprehensively understood the principles of this Code of Conduct and have the necessary capabilities and resources to comply with it;
- Assist all employees voicing concerns in good faith; and
- Comprehensively implement this Code of Conduct.

1.3 Contact and support

Contact and support

In our Code of Conduct you will find exemplary scenarios and situations, some of which you even may have already encountered. These examples are intended to clarify the rules and values set out in our Code of Conduct. If you have any questions regarding the implementation of these rules or to particular situations, please do not hesitate to contact your supervisor or our Chief Compliance Officer.

E-mail: compliance@veritas-ag.de

Please report (possible) violations of our Code of Conduct or other applicable laws to your supervisor or to the Chief Compliance Officer.

Code of Conduct violations

It is mandatory to comply with the Code of Conduct and the policies of the Veritas-Group. Violations of the Code of Conduct, the policies or the applicable laws may have serious consequences such as adequate disciplinary actions and civil or criminal proceedings.

No retaliation

Reporting of concerns or suspected violations of this Code of Conduct in good faith will never lead to personal disadvantages or professional reprisals at the Veritas-Group. Instead, reporters will be protected by the company from retaliation.

Subject to applicable laws, reports may be submitted openly or anonymously and will be treated confidentially.

The Veritas-Group investigates appropriately all reports of violations of this Code of Conduct. All employees of the Veritas-Group are requested to cooperate completely and truthfully in the course of investigations concerning possible illegal or unethical behavior.

2. Transparency and trust at our workplace



2.1 Treating each other with respect

At the Veritas-Group, respect is the basis of all interpersonal interactions. Any conduct detrimental to this principle like harassment, mobbing or discrimination is unacceptable. We provide for a diverse workforce that significantly contributes towards the success of our company.

The dignity, privacy and personal rights of every employee are a top priority for us here at the Veritas-Group. Our values and the laws of most countries confirm our belief in inclusion based on personality and skillset, and regardless of skin color, gender, religion, age, nationality, social or ethnic background, disability, belief, sexual orientation or political or union activity.

We provide for a comfortable working environment based on mutual respect that protects our employees from negative behavior like bullying or mobbing.

Q: You are tasked with finding a new employee for a technical engineer position. A colleague deems this to be a "man's job" and advises you to only consider male applicants for the job. Would this be ok?

A: You are not allowed to limit your search to only male candidates as this would constitute a discrimination on the grounds of gender. Instead you must concentrate on whether the candidates meet the core requirements of the position. You need to evaluate the qualification, abilities and experience of the candidates. For that matter, the gender of the applicant is irrelevant.

We safeguard the basic human rights of our entire workforce and in particular ban child labor, forced labor, and any other form of modern slavery.

As a matter of respect and lawfulness, we comply with the relevant legal standards to ensure freedom of association, collective bargaining, ordinary working hours and fair remuneration.

We also welcome and follow the core labor standards of the United Nations and set out by the International Labour Organization (ILO). We especially reject any form of child labor or forced labor and require our business partners and suppliers to adhere to the same standards.

2.2 Working in a safe environment

Workplace safety is imperative for the Veritas-Group

Adhering to health and safety regulations and work instructions are a vital requirement for all business activities of the Veritas-Group. We urge all employees to show comprehensive awareness for health and safety issues in their working environment. All employees must always wear the appropriate protective work gear. It is not allowed to work under the influence of alcohol, drugs or other substances that might impair your ability to properly perform your designated tasks.

Do not hesitate to stop a work process if you believe there is any risk of injury to yourself or your co-workers! Everyone at the Veritas-Group should take a personal responsibility for safety in their place of work.

Q: You need to enter a factory hall for which it is required to wear specific protective work boots. However, your pair of these work boots is still in your locker. You are in a hurry and figure you will only be in the work hall for a couple of minutes. Is it ok to quickly enter the hall wearing your regular shoes?

A: No. At no time is it appropriate to compromise any aspect of safety at the workplace. If it is unavoidable in the course of following safety and health regulations, you will have to accept a minor delay.

Protecting the environment is not a triviality

The Veritas-Group recognizes the importance of protecting the environment in the due course of its business activities. Therefore we adhere to all applicable environmental standards set out in laws and regulations. It is not only a matter of environmental protection but also a question of economic viability to minimize the usage of resources and limit our output of waste to the smallest extent possible.

The Veritas-Group does not support or use any minerals mined in conditions of armed conflict and human rights abuses and sold or traded by armed groups (so-called conflict minerals). Additionally, we require our suppliers to refrain from using such conflict minerals.

2.3 Avoiding conflicts of interest

Any business decision will always be made in the best interest of the Veritas-Group. Our reputation and success relies on sincerity and integrity in our decision-making.

Every employee of the Veritas-Group is obligated to always have the best interest of the company at heart when performing your professional duties. All business decisions must be made in accordance with this principle.

Where possible, employees should seek to avoid conflicts of interest. Should you have conflicting personal interest, you are obligated to deal with it in a transparent manner, i.e. to inform your supervisor and follow his/her instructions. Where appropriate, an employee affected by a possible conflict of interest should abstain from engaging in the respective subject matter and from making decisions in that context. Alternatively, the employee's work on the subject matter affected should be put under additional scrutiny by the supervisor.

Q: You are responsible for running a tender process at the Veritas-Group. One of the potential service providers is a company owned by your brother-in-law. That company has made an offer that is not as good as the offer of another company. Can you award the contract to your brother-in-law's company?

A: No. You should always base your decision on the best interest of the Veritas-Group. It is in such best interest to award a contract to the service provider offering the best terms altogether. As you are affected by a possible conflict of interest, you should inform your supervisor and follow his/her instructions. The supervisor or the Chief Compliance Officer will be able to assist you in properly handling such situation.

**3. Transparency and
commitment with our
business partners**



3.1 Engaging in fair competition

The Veritas-Group is committed to a fierce but always fair and free competition. We comply with all national and international antitrust and competition laws.

Our efforts to acquire or maintain customers and orders are always fair in all regions and countries. Therefore, you must strictly ensure that under no circumstances you make agreements, arrangements or undertake coordinated activities with (potential) competitors on, e.g.:

- Fixing prices;
- Allocating markets, territories, customers or product lines;
- Exchanging information on prices or components of prices, production capacities and market or investment strategies (competition-sensitive information).

Q: The representative of a competitor calls you on the telephone and asks to meet and discuss how to "optimize" the market for a certain product which both your companies sell. The meeting should take place outside the EU. Are you allowed to attend such a meeting?

A: No. You must immediately contact the Chief Compliance Officer. Participation in such a "optimization meeting" could represent a serious offence. Do not be tricked by code words such as "optimization". The fact that the meeting should take place in a different country would not change anything and it would be against the antitrust and criminal laws of the EU or other states.

Agreements on the subjects mentioned before are prohibited whether the agreement is written, oral or gentleman's agreement. An illegal agreement can be inferred from tacit or implied conduct or patterns of behavior.

In addition, a good market position of the Veritas-Group must not be misused by imposing discriminating prices vis-à-vis our suppliers or other business partners.

3.2 Ensuring integrity in business relationships

We strive for excellence of our products and services. Together with our people this ensures the success of the Veritas-Group and justifies the trust of our business partners.

We strictly reject all forms of bribery or corruption and any business conduct that could create the appearance of improper influence.

In this regard, we must not:

- Give or offer anything of value to a private commercial counterparty as reward or incentive for illegitimate advantages in competition for the Veritas-Group;
- Give or offer anything of value to a government official;
- Offer, authorize or accept any form of kickback to or from a private commercial counterparty or a government official.

Q: You are negotiating a contract with a supplier. The supplier tells you that he currently is under a financial strain. Therefore he would really appreciate it if you could agree to raise the price by 10%. If you agree, you should anticipate finding an envelope with EUR 5,000 in your private mailbox. Should you agree to this?

A: No. This would constitute corruption in the form of a kickback payment. This is a criminal offence, would harm the Veritas-Group and would lead to severe consequences for you personally. Instead, inform your supervisor or the Chief Compliance Officer.

Commission and remuneration paid to business partners such as agents or advisors must be reasonable and proportionate to those persons' work. We never ask third parties to make any payment (or take any other action) that we are not allowed to make or that would seem inappropriate for us to make. Thus, it is forbidden to agree to any form of benefit if it can be assumed that the provision of such benefit is intended to improperly influence a business decision.

3.3 Handling gifts and hospitality

Gifts and hospitality are common means to express appreciation and can promote good business relationships and create goodwill. However, gifts do not come with obligations or create expectations.

We do not offer or accept gifts and hospitality or any other advantages that could appear to exercise an improper influence. In order to avoid the perception of improper relations with third parties, every employee must adhere to the following principles:

- Gifts and hospitality offered by the Veritas-Group are only courtesy in the normal course of business. Gifts must only be of a moderate value and hospitality is only offered as a minor part of regular business events.
- Do not accept any gifts or hospitality if they go beyond common courtesy and make you feel indebted.
- In general, gifts or hospitality must not exceed a value of EUR 50 (or local currency equivalent) per person. No gift must be granted to public officials (including employees of state-controlled companies). Hospitality offered to public officials must not exceed a value of EUR 25 per person.
- Exceptions to these rules require prior approval by a member of the management board or the Chief Compliance Officer.

Q: During price negotiations with an OEM, you offer the OEM purchasing representative to an extraordinary restaurant non of you would be willing to pay for privately and to bring along his family. You are part of the negotiating team and would like to provide a convenient atmosphere for business discussions. Are you allowed to offer this hospitality?

A: No. Employees of the Veritas-Group are not allowed to offer gifts or hospitality which go beyond courtesy in the normal course of business events or exceed a value of EUR 50 per person. In addition, inviting relatives poses an issue as private and business contacts have to be kept strictly separate.

- ⚠ Never give, offer or accept any gifts in cash or cash equivalents (e.g. shopping vouchers or gift cards).
- ⚠ Never request any gifts or advantages.
- ⚠ Gifts and hospitality must always be offered and accepted in an honest and transparent manner and be recorded completely, accurately and in sufficient detail in Veritas' books and records.

In case of doubt obtain prior advice from your supervisor or the Chief Compliance Officer.

3.4 Adhering to the rules of international business

The Veritas-Group serves customers in various regions around the globe. In this context, we are subject to the laws and regulations of different legal systems.

We always comply with the applicable laws and regulations at the locations where we work. This can lead to different emphasis or might have an impact on the required conduct as local laws and regulations vary. However, our general values and guidelines as per this Code of Conduct are minimum requirements which must be adhered to in all situations at all locations.

As we work across borders we are also obliged to comply with all applicable export and import laws including observance of all sanctions and embargoes.

Q: You are currently searching for new suppliers of a specific raw material for one of the Veritas-Group international sites. One potential supplier from a neighboring country offers excellent terms and conditions. However you remember that the specific neighboring country has recently been in the news as a military aggressor and that many countries worldwide have threatened that this will have negative ramifications. Can you propose to retain this supplier?

A: No, not immediately. First you have to complete an evaluation by checking if any sanctions have been imposed that would prohibit business activities with companies from this specific country. There are several sanctions list that have to be considered. Make sure to contact the Chief Compliance Officer for assistance in this matter.

Our objective is to only do business with business partners who are involved in legal business activities and whose funds are derived from legal sources. We comply with all applicable laws and regulations to prevent money laundering or the financing of terrorism. In this regard, we always use the standard banking system to make payments. Cash transactions are restricted to the bare minimum.

In order to satisfy the above requirements, we perform required sanctions lists checks of our business partners both before entering into and during a business relationship.

4. Protection of company assets



4.1 Protecting company assets and know-how

The property and assets of the Veritas-Group must be safeguarded to ensure production efficiency.

To maintain profitability while providing the best possible product to our customers it is essential for us to avoid unnecessary loss of company assets. All employees must therefore handle our available resources and production facilities with care. Please make sure that these assets are not damaged, stolen or wasted.

Q: A friend of you wants to know a little bit about your profession and asks you to take some photos with your smartphone of the machines and tools used for the product you are currently working with. He wants you to send him these pictures via e-mail. Should you do this?

A: No. The alignment and use of machines and tools can provide information about work processes that the Veritas-Group considers confidential. Procedural efficiency is huge competitive advantage and the Veritas-Group cannot risk losing its exclusive access to such advantage at any costs. You should therefore never share any information even just remotely relevant with somebody outside of the Veritas-Group.

We need to protect our know-how and expertise to be consistently successful in our business.

Our procedural know-how and innovations are one of the biggest assets of the Veritas-Group. They allow us to successfully compete in the markets. It is therefore of utmost importance to protect these assets. Each and everyone of us has the responsibility to ensure that confidential company information is only made available to authorized company personnel on a strict need-to-know basis. The same applies to information that has been entrusted to us by customers and other third parties.

4.2 Documenting and reporting properly

The Veritas-Group properly documents and reports all internal work processes and performs a correct and reliable accounting.

It is mandatory for the Veritas-Group to perform accounting related to its business activities in a truthful way. Therefore it is essential that our records are complete, reliable and correct at all times. To make this possible, all relevant processes, transactions, documents and other information has to be processed and recorded in a precise manner and in accordance with the respective policies of the Veritas-Group and applicable laws.

Q: A customer has made a complaint relating to a product of the Veritas-Group. After looking into the issue for a couple of days you were able to find a solution to the customer's satisfaction. You are certain that this customer will not complain any further in the future. Do you still have to compile a written report and record it?

A: Yes. Handling customer complaints or claims are an important process for the Veritas-Group. We will only be protected from liability if we deal with such an issue in a precise and comprehensive manner. Therefore we have to make sure that the entire process is correctly documented and recorded in accordance with the respective policy.

4.3 Safeguarding data and information

Proportionate use of data and respecting privacy are key components of our reputation.

The Veritas-Group uses and processes data of its employees and third parties only to the degree to which it is necessary in the course of due business activities or if it is legally required to do so. At all times, we do adhere to the relevant data protection regulations.

Q: You download a copy of a Veritas-Group-specific software installer file onto a USB stick and plan to install it on your home computer. You feel that the Veritas-Group would not be harmed because the original file remains on its systems. Can you proceed?

A: No. When the Veritas-Group purchases software it is usually bound by a license agreement with the software manufacturer. Using the software for private purposes will most likely infringe such license agreements and the Veritas-Group could be held liable for the acts of its employees.

Secure use of IT devices is a matter of professionalism.

Employees should only use the relevant IT tools such as e-mail services and internet access for matters of company business. Please follow the Veritas-Group IT standards with regard to your handling of security measures like password protections for your devices. It is not allowed to use company software for private purposes or to install private software on company devices.

5. Corporate Social Responsibility



Transparent, trustworthy and committed

As a member of society, we live by our values.

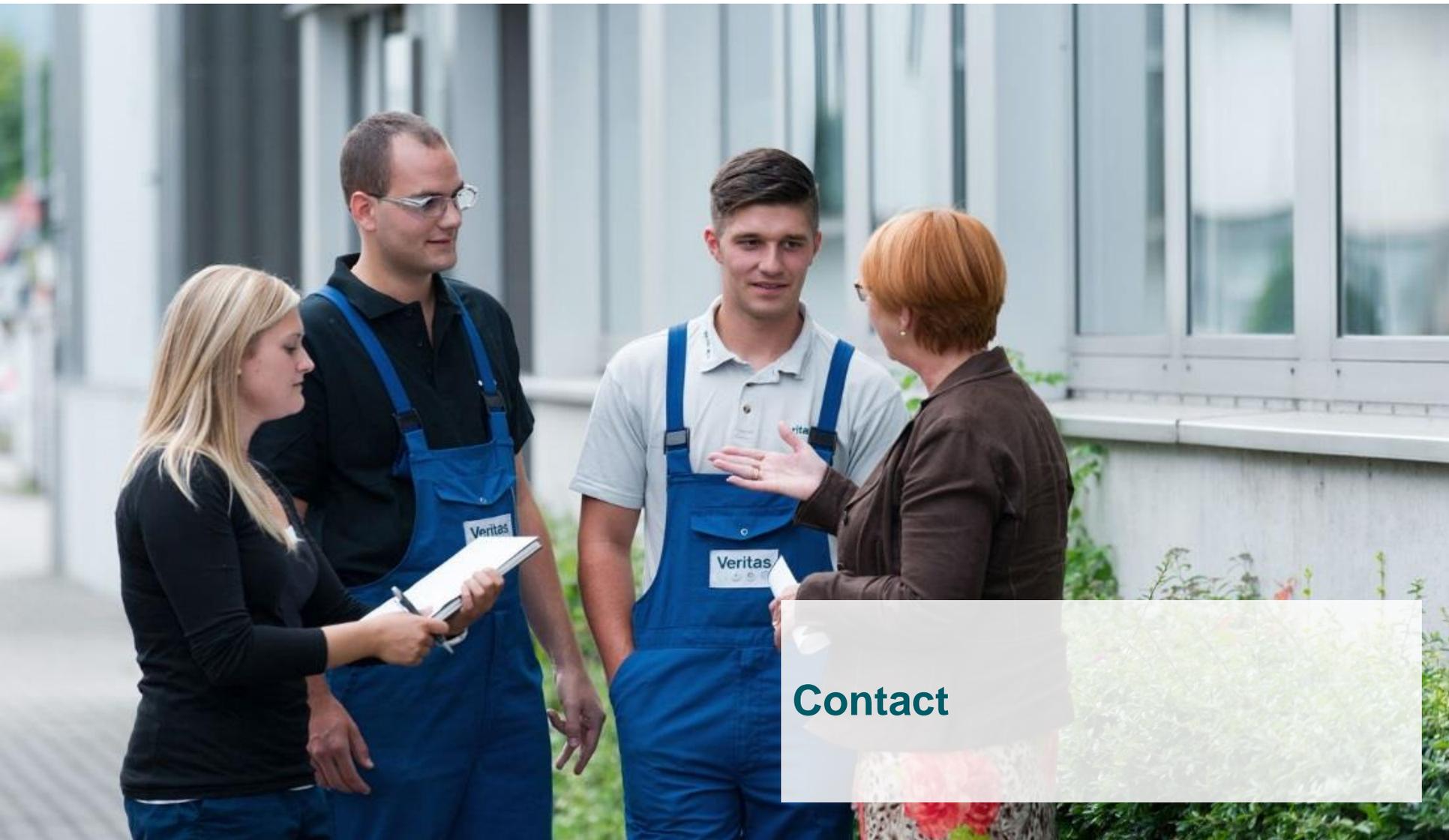
Corporate Social Responsibility at the Veritas-Group means that we are committed to contributing to the communities we are located in. To maintain good and trusted relationships with all our stakeholders, we make donations or undertake other forms of corporate citizenship solely in the best interest of the company and the society. Donations by the Veritas-Group are never made in the private interest of any person.

The Veritas-Group never contributes to political campaigns, political parties, political candidates or other related organizations at home or abroad. However, we encourage our employees to get personally involved in the community or in politics. The personal political activities of individual employees, however, must not take place at the workplace and not have negative consequences for the Veritas-Group.

Q: You are invited to a fund-raising party of a local political party. Your entry ticket is very expensive but you are willing to pay for the ticket as it is for a good cause. However, you are not sure whether you will be perceived as a private person or as a representative of the Veritas-Group. What should you do?

A: Be careful. Your participation at the fund-raising party could be assessed as support of the Veritas-Group for the local political party. When accepting such invitations you should exercise extreme caution and consult with your supervisor or the Chief Compliance Officer before you make any kind of payment.

In general, we donate to carefully selected local education initiatives or cultural events without expecting any reward or direct benefit from our contributions. Under certain circumstances, we may also engage in sponsoring activities. In these cases, the Veritas-Group's name and logo would be used to promote the brand and to make ourselves visible as an active member of the society.



Contact

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